

**United States Department of the Treasury,  
Departmental Offices (DO)**



**Lapse of Appropriations Plan**

**Version 3.0**

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## **1 Background**

In the event of a lapse in appropriated funding, Departmental Offices of the Treasury Department (DO) must be prepared for conditions that would necessitate a significant reduction in DO operations during a short hiatus (1-5 days).

This plan lists responsible offices (see Section 3) and includes a breakdown by program/policy office of those reduced functions (see Section 5). Additionally, full lists of excepted positions and contracts that will continue during a short hiatus are attached in Sections 6 and 7.

If a lapse exceeds 5 days, additional personnel may be recalled to perform excepted functions, including the following:

- Operations Staff for trash and building maintenance
- Conference and meeting staff for Executive and Dignitary support/clearance
- Economic policy experts to review and further analyze domestic and international economic issues and developments in the financial markets / regions (as needed)

Please note: Policy offices reporting to DO may oversee Department-wide functions that are excepted from annual appropriations lapse.

## **2 Authority**

The Anti-Deficiency Act restricts the conduct of business by agencies during a lapse of appropriations. The Act generally prohibits agency heads and their employees from:

- Making or authorizing expenditures or obligations in excess of appropriations;
- Making or authorizing expenditures or obligations of funds required to be sequestered under Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985; and
- Accepting voluntary services for the United States or employing others to perform personal services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property.

Certain DO functions may continue even in the absence of an annual appropriations bill or continuing resolution. The principal guidance on the types of functions that may be continue in this scenario is found in the Attorney General's opinion dated January 16, 1981, as updated by the Office of Legal Counsel in an August 16, 1995 Memorandum.

Those opinions authorize continuation of agency functions which satisfy any of the following criteria (referred to as "excepted" functions):

- Those that have a continuing source of funding;
- Those that are expressly authorized by Congress to continue even without funding;
- Those for which authority to obligate funds can be necessarily implied by statute;
- Those that are necessary to ensure the safety of human life or the protection of property;
- Those that are necessary for the discharge of the President's constitutional duties

## **2.1 OMB Circular A-11 Summary of Impacts for Departmental Offices**

1. Estimated time to complete shutdown of non-excepted activities	Not in excess of a half day
2. Number of employees expected to be on board prior to implementation of shutdown plan (as of pay period 24)	1,893
3. Total number of excepted employees	614
4. Breakdown of excepted employees by exception category:	
a. Funded by other than current year appropriated funds;	409
b. Expressly authorized to continue without funding;	0
c. Authorized by necessary implication;	76
d. Necessary for safety and protection of property; and	72
e. Discharge of President's constitutional duties.	57

## **3 Responsible Offices**

The offices below have primary responsible for managing and updating this plan:

- Office of the General Counsel (OGC)
- Customer Service Liaison (CSL)
- Office of Human Resources (OHR)
- Policy Office Management and Senior Administrative Contacts (SAC)

## **4 Departmental Offices Funding Lapse Operational Guidance**

### **4.1 Personnel**

- The Office of Human Resources (OHR) will maintain and manage operational procedures for the agency's employee notification in the event of a lapse in appropriations. OHR will provide advance written notice of furlough, or exception from furlough, no less than seven calendar days before the proposed furlough start date (additional notice will be provided whenever possible).
- In unforeseen emergency situations (e.g., an immediate and unexpected loss of agency funding), the agency may issue furlough notices and place employees in furlough status during the notice period. Additionally, prior communication of furlough planning may not be permissible per OMB/OPM guidance.

### **4.2 Contracts**

- The Customer Service Liaison will coordinate notification related to contracts in conjunction with Procurement Office personnel.
- Internal Revenue Service (IRS) and Bureau of Public Debt (BPD) Procurement will post all excepted contracts on their public procurement web site ([www.IRS.GOV](http://www.IRS.GOV) and [www.publicdebt.treas.gov/vendorinfo/vendor\\_info.htm](http://www.publicdebt.treas.gov/vendorinfo/vendor_info.htm)). All contractors will be sent an email with instructions to check this website to confirm contract status (as excepted or non excepted).

## **5 Individual Departmental Offices Funding Lapse Plans**

### **5.1 Office of the Secretary**

The Office of the Secretary has approximately 10 excepted positions necessary to continue the following functions either in full or with manageable impacts to functional performance (within Executive Direction\*) to support the Secretary in the discharge of the President's constitutional duties:

- Compile and synthesize policy recommendations from within the Treasury Department and from the Federal Reserve and other economic advisors in order to give policy options to the President.
- Coordinate and communicate with critical economic leaders.
- Provide market and economic updates to the President.

\*Executive Direction includes the following offices and approximate positions: Office of the Secretary (10 positions), Public Affairs (2 positions), Legislative Affairs (2 positions), Office of the Treasurer (2 positions), Office of General Counsel (27 positions). All positions are listed in section 6.

### **5.2 Domestic Finance**

#### **5.2.1 Continuing Functions**

Domestic Finance has approximately 131 excepted positions (excluding the Office of Financial Stability), of which 100 are funded through non-annually appropriated sources (set forth in the chart in section 6).

The functions below will continue in the event of a brief hiatus to support the discharge of the President's constitutional duties and to perform duties authorized by necessary implication, unless otherwise stated in section 6:

- Continue Treasury payment/collection programs to meet Government's obligations
- Manage the Government's cash position
- Take action to address the known disruptions in the financial community to ensure financial systems safely, soundness and liquidity in the financial system and to maintain confidence in the financial system.
- Continue Treasury borrowing/debt programs to meet the Government's financial obligations and avoid, or minimize, disruptions to Treasury's financing schedule.
- Continue to make publicly available official Treasury interest rates.
- Draft certification of terrorist act, in conjunction with Secretary of State and Attorney General, and implement procedures under Terrorism Risk Insurance Act (TRIA), which is funded by non-annually appropriated sources.
- All Critical Infrastructure Protection (CIP) functions will continue to operate
- Continue the State Small Business Credit Initiative program operations to fund state programs that promote lending and investment in small businesses, which is funded by non-annual appropriations
- Continue all Small Business Lending Fund Operations, which is funded by non-annual appropriations
- Financial Stability Oversight Council (FSOC) work will continue, which is funded by non-annual appropriations

- Office of Federal Research (OFR) is funded by non-annual appropriations and will continue to support FSOC in evaluating risks to the U.S. Financial System
- Minimal accounting functions to prevent the cessation of government wide financial reporting

In addition, the Office of Financial Stability (approximately 200 positions) is funded through non-annual appropriated sources and will continue operations.

### **5.3 *International Affairs***

#### **5.3.1 Continuing Functions**

The Office of International Affairs has approximately 73 excepted positions, of which 26 are funded through non-annually appropriated sources, to conduct functions to support the Secretary and or Presidentially appointed officials in the discharge of the President's constitutional duties globally (unless otherwise defined in section 6):

- Oversee operations of the Exchange Stabilization Fund (ESF)
- Monitor international financial markets, maintain communication with other participants in those markets, and coordinate Treasury activity with respect to other participants, including the various G-groups
- Perform caretaker functions with respect to notices of foreign acquisitions of U.S. companies brought to the Committee on Foreign Investment in the United States (CFIUS)
- Coordinate U.S activities with respect to international financial institutions, especially votes of U.S. executive directors on decisions by the boards of those institutions
- Technical assistance to foreign countries and governments (25 positions funded through non-annual appropriated sources)
- Attaché representation in designated world posts to locally support Presidentially appointed Executive Directors (see section 6)
- Operational costs in support of overseas personnel that will furlough but remain in country
- Fund sites for overseas personnel lease and utilities

### **5.4 *Terrorism and Financial Intelligence (TFI)***

#### **5.4.1 Continuing Functions**

The Office of Terrorism and Financial Intelligence has 75 excepted positions, of which 22 are funded through non-annual appropriated sources. The remaining excepted functions identified below are necessary to support the President's constitutional duties, for the protection of life and property, and/or are authorized by necessary implication, unless otherwise noted section 6:

- Monitor and disseminate intelligence reporting on anticipated or actual event to Treasury leadership and other law enforcement, intelligence and military authorities; maintain SCI/collateral communication connectivity with NSC and intelligence community (Watch Officers excepted for protection of life and property).
- Administer the Specially Designated Nationals (SDN) list and enforce economic and trade sanctions as directed by the Secretary
- Implement and administer new sanctions on foreign countries or targeted individuals or entities through newly issued Executive Orders (EO) as directed by the Secretary
- Develop and provide policy recommendations in response to national security incidents as directed by the Secretary
- Participate in national security policy and intelligence forums responsible for development of response to any national security incident (e.g. NSC Counterterrorism Security Group) as directed by the Secretary

- Ensure continuity of key regulatory and enforcement action to preclude exploitation by adversaries during national security event/emergency.
- Limited handling of incoming inquiries (Hotline calls).
- Limited Analytic support (Bank Secrecy Act data, intelligence information, and international financial intelligence unit information including Egmont Secure Web (ESW) case support) to federal law enforcement agencies.
- Use of Section 314 (a) of the Patriot Act which enables federal law enforcement agencies, through FinCEN, to reach out to financial institutions to locate accounts and transactions of persons that may be involved in illegal activity
- Limited communications with financial sector participants, to include finance ministries and central bank authorities of foreign states, regarding threats and emergent conditions as directed by the Secretary
- Limited IT Support to service those position excepted from furlough

## **5.5 *Economic Policy***

### **5.5.1 Continuing Functions**

The Assistant Secretary for Economic Policy, plus one staff member, will continue the following excepted functions to support the Secretary:

- Respond to requests for the Secretary and other Administration officials for economic information and economic analysis for the purposes of policy making. Understanding the economic consequences of various policy actions is essential for developing policies that have a positive impact on the U.S. and global economy.

## **5.6 *Tax Policy***

### **5.6.1 Continuing Functions**

The Office of Tax Policy has approximately 11 excepted positions to perform the duties listed below in support of the President's constitutional duties as well as activities authorized by necessary implication, unless otherwise defined in section 6:

- Develop and implement Federal tax policies and programs. This office is responsible for revenue estimates and implementation of any budget plan and this function is necessary for providing advice to the President during a hiatus and once funding is restored.
- Tax Policy will continue to work with the President and the Secretary to develop policies to restore appropriations, which might include tax provisions.

## **5.7 *Treasurer of the United States***

### **5.7.1 Continuing Functions**

The Treasurer of the United States, plus one support staff member, will continue the following excepted functions to support the Secretary in discharge of his duties within Executive Direction(unless otherwise noted in section 6):

- Advise the Secretary on matters relating to coinage, currency and the production of other instruments by the United States. This includes oversight of the U.S. Mint and Bureau of Engraving and Printing, which are funded through non appropriated sources.

## **5.8 *Legislative Affairs***

### **5.8.1 Continuing Functions**

The Assistant Secretary for Legislative Affairs, plus one support staff member, will continue the following excepted functions to support the Secretary in the discharge of duties within Executive Direction (unless otherwise noted in section 6):

- Advise the Secretary on congressional relations matters in order to assist in the formulation of policy related to a restoration of annual appropriations and similar budget matters.
- Develop strategies to implement legislative initiatives, communicate Treasury's positions to the Congress, and keeps the Department informed of Congressional objectives, concerns, activities, and interests related to a funding hiatus.
- Advise the Department on Congressional concerns during policy formation.

## **5.9 *Public Affairs***

### **5.9.1 Continuing Functions**

The Assistant Secretary for Public Affairs, plus one support staff member, will continue the following excepted functions to support the Secretary in discharge of duties (within Executive Direction) unless otherwise noted in section 6):

- Provision of advice to excepted officials within the Department and its bureaus how best to communicate issues and priorities of public interest during, and related to, a funding hiatus.

## **5.10 *General Counsel***

### **5.10.1 Continuing Functions**

The Office of General Counsel has approximately 28 excepted positions, of which 21 are funded by non-annual appropriated sources, and the remainder are necessary to perform the functions listed below in support of the President's constitutional duties and by necessary implication, unless otherwise defined in section 6:

- Provision of legal and policy advice to the Secretary and other Departmental officials performing excepted functions.

## **5.11 *Assistant Secretary for Management (ASM) / Chief Financial Officer (CFO)***

### **5.11.1 Continuing Functions**

The ASM/CFO has approximately 112 excepted positions, of which 39 are funded through non-annual appropriated sources, and the remainder are necessary to ensure that the Department is able to function at a minimal level to allow for the performance of excepted functions, etc., unless otherwise noted below and in section 6:

- Information Technology management for excepted personnel and excepted bureaus
  - Managing and operating essential IT infrastructure services including telecommunications and Treasury's network services such as E-mail, voice mail, and internet (e.g. Treasury's Public Website) (21 positions).



- Maintaining Treasury's computer security incident response and emergency operations capability to monitor and protect Treasury's technology infrastructure and ensure emergency communications (4 positions).
  - Supporting Treasury's classified IT systems (1 position).
  - Maintaining basic support to excepted Federal entities for the automated personnel system, HR Connect, an HR Line of Business (HR LoB) (5 positions).
- Department-wide financial management (25 positions)
  - Budget management
  - Contract Management
  - Procurement
- DO Facilities management (14 positions)
- Implement the Secretary's responsibilities under the Balanced Budget Act of 1997, Public Law 105-33 (111 Stat. 251), including ensuring timely and accurate Federal benefit payments associated with the District of Columbia Retirement Programs for police officers, firefighters, teachers and judges, as this activity has a continued source of funding (20 positions).
- Treasury-wide Emergency Management (13 positions, for the protection of life and property)
  - Including emergency alerting, notifications, and reporting.
  - DO Emergency Management, particularly, shelter-in-place & evacuation operations.
  - Senior Official telephone services.
- DO human capital management for excepted personnel and limited activities necessitated by the shutdown (6 positions, 4 funded through non appropriated sources).
- Privacy & Treasury Records Management to support excepted personnel (1 position).

## **6 Excepted Staff List**

Excepted DO Staff are identified on the CSL SharePoint site and attachment A of the DO Lapse plan. The total of excepted personnel, by office, is included under Attachment B.

## **7 Excepted Contract List**

Excepted contracts are identified on the CSL SharePoint site and attachment C of the Lapse Plan.